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Attorneys for Defendants World Savings Bank FSB (renamed "Wachovia Mortgage, FSB") and Golden West Savings Association Service Company

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

KEVIN R. MCLEAN,

Plaintiff,

VS.

WORLD SAVINGS FSB; INTEGRITY  
INVESTMENT GROUP LLC; GOLDEN WEST  
SAVINGS ASSOCIATION SERVICE CO;  
SUSAN FEDERICHI; BILL FORD; JEFFERY  
FORD; CALIFORNIA FRANCHISE TAX  
BOARD; WILLIAM L. VEEN.

### Defendants.

Case No.: 3:07-cv-5594 JSW

## CASE MANAGEMENT STATEMENT

Date: March 28, 2008  
Time: 1:30 p.m.  
Ctrm: 2, 17th Floor

The Honorable Jeffrey S. White

Pursuant to Rule 16(b) of the Federal Rules of Civil Procedure, Local Rule 16-9 and the Standing Order for all Judges of the Northern District of California, Defendants World Savings FSB (“World Savings”), Integrity Investment Group LLP (“Integrity Investment”), Golden West Savings Association Service Co. (“Golden West”), Susan Federichi, Bill Ford, Jeffrey Ford and William L. Veen (hereinafter collectively “Defendants”) jointly submit this Case Management Conference Statement. Defendants make the following representations and recommendations:

**1. Jurisdiction and Service:**

Defendants believe that this Court lacks subject matter jurisdiction over the action because Plaintiff Kevin McLean’s (“Plaintiff”) claims do not present a federal question under 28 U.S.C. Section 1331. The subject matter of the action – the state’s non-judicial foreclosure procedure – constitutes a private action, and is therefore exempt from the due process requirements of the Federal Constitution. Moreover, actions involving foreclosure proceedings conducted under the California non-judicial foreclosure statute, which is the entire focus of Plaintiff’s claims, do not raise a federal question, and should not be adjudicated in federal court. The propriety of this Court’s exercise of jurisdiction over this action is the subject matter of the Defendants’ pending Motions to Dismiss set to be heard on March 28, 2008.

**2. Facts:**

Sometime in November 2003, Plaintiff entered into a mortgage agreement with Defendant World Savings concerning his residence located in Woodside, California. Due to Plaintiff’s failure to comply with the terms of such mortgage, on April 25, 2007, World Savings, through its agent Golden West, filed a notice of default and election to sell. On the same day, Golden West recorded a notice of Trustee’s sale. On May 15, 2007, Plaintiff filed a petition for bankruptcy pursuant to Chapter 11 of the United States Bankruptcy Code. Plaintiff alleges that on October 3, 2007, World Savings, through Golden West, unlawfully foreclosed against the property by holding a trustee sale without giving notice to Plaintiff. Defendants believe the sale was correct and noticed properly. Plaintiff alleges that Integrity Investment Group, LLC, Bill Ford, Susan Ford, Jeffrey Ford, Golden

1 West, World Savings, the California Tax Franchise Board, Susan Federighi and William Veen claim  
2 an interest in the subject property but disputes such interests in the property.

3       **3. Legal Issues:**

4           The principle legal issue in this case is whether the foreclosure sale was properly conducted  
5 pursuant to Cal. Civ. Code Section 2924 and whether Defendant Integrity Investment was a bona  
6 fide purchaser.

7       **4. Motions:** Currently pending before this Court are the following motions:

8           A. Golden West and World Savings' Motion to Dismiss Pursuant to FRCP 12(b)(1).

9           B. Susan Federighi, Bill Ford, Jeffrey Ford's Motion to Dismiss Pursuant to FRCP  
10 12(b)(1).

11           C. Integrity Investment's Motion to Dismiss Pursuant to FRCP 12(b)(1) and 12(b)(6),  
12 and Motion to Expunge Notice of Pending Action and for Attorneys Fees.

13       **5. Amendment of Pleadings:** None contemplated at this time.

14       **6. Evidence Preservation:** No issue contemplated, as the scope of relevant documents is  
15 narrow.

16       **7. Disclosures:** The parties are exempted for the requirements of FRCP 26(a)(1) pursuant to  
17 FRCP 26(a)(1)(B).

18       **8. Discovery:** The parties will follow the presumptive limits of the Federal Rules.

19       **9. Class Action:** N/A

1 10. **Related Cases:** Integrity Investment Group LLC v. Kevin McLean, 07-6621 MHP. A  
2 motion to remand is under submission.

3  
4 11. **Relief:** For a declaration that the subject property belongs as the sole property of Plaintiff;  
5 general and special damages; and punitive damages.

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7 12. **Settlement and ADR:** The defendants stipulate to a settlement conference conducted by a  
8 magistrate judge.

9  
10 13. **Consent to Magistrate Judge for all Purposes:** Golden West and World Savings do not  
11 consent to a magistrate judge for all purposes. Integrity Investment, Susan Federichi, Bill Ford,  
12 Jeffrey Ford and William L. Veen consent to a magistrate judge for all purposes.

13  
14 14. **Other References:** None.

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16 15. **Narrowing of Issues:** None.

17  
18 16. **Expedited Schedule:** None.

19  
20 17. **Scheduling:** Defendants believe the pending motions to dismiss, scheduled to be heard on  
21 March 28, 2008, are well taken and should be granted. Defendants therefore believe that no further  
22 scheduling will be necessary.

23  
24 18. **Trial:** 2 day estimate; court trial requested.

25  
26 19. **Disclosure of Non-party Interested Entities or Persons:** None

27  
28 20. **Such other matters as may facilitate the just, speedy and inexpensive disposition of this**

**matter.** None

DATED: March 21, 2008

## LAW OFFICES OF MARK J. ROMEO

By: /s/ Mark J. Romeo

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Mark J. Romeo

Attorneys for Integrity Investment Group, LLC

DATED: March 21, 2008

## THE VEEN FIRM, P.C.

By: /s/ William Louis Veen

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William Louis Veen

Pro Se

DATED: March 21, 2008

By: /s/ Bill Ford

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Bill Ford

### *In propria persona*

DATED: March 21, 2008

By: /s/ Bill Ford

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Bill Ford

Atorneys for Jeffrey Ford and Susan Federighi

DATED: March 21, 2008

REED SMITH, LLP

By: /s/ R. Euna Kim

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R. Euna Kim

Attorneys for World Savings Bank FSB (renamed

“Wachovia Mortgage, FSB”) and Golden West Savings Association Service Company